

**BILL #** HB 2066

**TITLE:** ~~municipal incorporation; technical correction~~  
(NOW: development fees; cities and towns)

**SPONSOR:** Nelson

**STATUS:** As Amended by Senate RULES

**REQUESTED BY:** Senate

**PREPARED BY:** Tim Everill

## **FISCAL ANALYSIS**

### **Description**

As amended, the bill would require that municipalities that assess development fees shall submit an annual report to the city clerk accounting for the collection and use of the fees.

### **Estimated Impact**

This bill will have no state impact. There is a potential cost to local government, but the League of Arizona Cities and Towns has not quantified the impact.

### **Analysis**

Under this bill, each municipality that currently assesses a development fee, or adopts a new or increased development fee, is required to submit a report to the city clerk detailing the amount of each development fee assessed by the municipality, the balance in the development fee account at the beginning and end of the fiscal year, interest earnings, the amount of development fees spent on each project, and the location of each project. The required report is to be filed and made available to the public within 60 days of the end of the fiscal year. Municipalities that fail to file a report are prohibited from collecting fees until a report is filed.

This bill requires no action by the state, and would have no direct revenue or expenditure impact on the state.

### **Local Government Impact**

The bill could have a minimal impact for cities to collect the required information, compile the reports, and provide requested copies to the public. The magnitude of this impact will vary by city depending on whether the city already compiles this information for internal purposes, and if not, how many fees will be tracked and the size of the city's staff. The League of Arizona Cities and Towns has indicated a potential cost, but has not quantified the impact.

4/11/05